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DISCUSS HIGHLIGHTS OF HUNGARIAN FIVE-YEAR PLAN

Debate was begun today in the Hungarian National Assembly regarding the proposed amendment of the Five-Year Plan. The members of the Presidential Council, together with Matyas Rakosi, attended the session. After Lajos Drahos, chairman of the National Assembly, opened the session, Zoltan Vas, president of the National Planning Office, delivered an address.

Vas said that the revision of the plan was made necessary by the fact that it was considerably exceeded in 1950. The construction industry expanded by 126 percent relative to the preceding year. Development in 1950 was characterized by the fact that investments exceeded 10 billion forints. This means that almost as much was invested in 1950 as during the entire period of the Three-Year Plan.

Substantial progress was made in the production of models. The production of new-type trucks, buses, electric locomotives, and agricultural machines will be begun this year. At the cost of significant sacrifices, the foundation of technological research has been laid. Vas emphasized that the Hungarian industrial potential had been underestimated and that the available industrial reserves had not been taken into consideration.

Growth is accompanied by certain difficulties. Less meat and fat will be available for consumption this year than last year. It will take time to develop livestock numbers to the 1950 level, since there has been a certain amount of retrogression. This means that it will take a year for the level of consumption to be raised to that of 1950.

There are several instances which indicate that industry has irresponsibly disregarded consumption quotas. Industry planned and produced tractors, locomotives, and machines according to plan, but ignored the daily needs of the people. For example, 12-liter cooking utensils and size-36 shirts were produced because the cost of production of these items is relatively low, but the housewife wanted 2-liter utensils and men wanted to buy size 40 to 44 shirts. In addition, hostile elements took advantage of these temporary difficulties by hoarding and queuing up.

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The original Five-Year Plan envisaged a 63.1-percent rise in the national income from 1949 to 1954. The present proposal raises the national income for the same period by 130 percent. The share of the manufacturing industry during the last year of the plan will be increased by 210 percent, instead of 86 percent, as originally planned. Because of this rapid rate of growth, Hungary must concentrate its efforts on heavy industries. Within this category, basic industrial materials, electric power, machine manufacture, and capital-goods industries will have priority.

The development of the machine industry is based on that of the machine-tool industry. During the Five-Year Plan, 20 new and modern types of machines will be produced for the manufacture of machine tools. To provide the necessary amount of roller bearings, a roller bearing plant will be built. This will lead to a large-scale reduction of imports in this product.

The production of transportation facilities will be increased by 400 percent relative to 1949. In the construction industry, it is proposed that expenditures be raised from 21.3 billion forints to 43 billion. The above-surface-construction industry will produce five times and the subsurface-construction industry three times as much in the last year of the five-year plan as in 1949. In addition, it is expected that, during the Five-Year Plan, the construction industry will reduce the costs of production and employ prefabricated products increasingly.

Vas emphasized that the energy of the country will be united and directed toward large investments. Approximately 24 billion forints, instead of the 8.4 billions planned, will be devoted to the establishment of new industrial installations and the complete renovation of the existing ones.

Speaking of the proposed 50-percent rise in the standard of living, Vas said that it requires an increase in the production of foods as well as in manufactured consumers' goods. The production of more than 100,000 stoves has been planned for 1954, as compared to the 50,000 produced in 1949. The production of bathtubs and cooking utensils will be increased $2\frac{1}{2}$ times and $1\frac{1}{2}$ times, respectively, during the current Five-Year Plan.

During the 5 years of the plan, 200,000 new apartments will be built, 30 million forints will be used to develop sanitation, and 40 million will be devoted to establishing new parks.

By 1954, 6.7 million workers will be covered by social insurance. The network of day nurseries will be developed further. A new National Theatre will be built in Budapest, and a new theatre is planned for Gyor. Every plant, village, and town will have a library.

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